

## **REMARKS**

Part of the reason for filing the RCE request here is to provide an opportunity for applicants to arrange a personal Interview with the Examiner. Applicants believe there has been a misunderstanding about the nature of their invention and that a personal interview would be helpful to further prosecution. Applicants will contact the Examiner shortly after this filing to arrange the Interview. However, if the Examiner takes the case up prior to such arrangement, she is encouraged to contact the undersigned to arrange an Interview.

### **The Rejections under 35 U.S.C. §103**

The rejection of claims 1, 2, 5-8, 11, 12, 17, 18, 33, 34, 39, 40, 43 and 44 under 35 U.S.C. §103, as being obvious over Wahlbin (US Pub. No. 2002/0128881) in view of DeTore (U.S. Patent No. 4,975,840), and the rejection of claims 13-16, 19, 20, 41 and 42 under 35 U.S.C. §103, as being obvious over Wahlbin in view of DeTore and further in view of Jernberg (U.S. Patent No. 6,336,096), are respectfully traversed.

None of the Wahlbin, DeTore or Jernberg references relate to the field of applicants' invention. While each of the references relates to methods/systems pertaining to insurance, generally, none of the references relates specifically to methods/systems for "making a determination of whether a claim for **a defense** under a liability insurance policy should be referred to a higher review level" (emphasis added). Applicants' invention provides systems and methods for a liability insurance company and/or those who handle claims for a liability insurance company to more effectively address whether or not to accept a claim for a defense made under a liability policy. For example, the systems and methods allow the user to more effectively identify the factors relevant to determining if the claim, either in full or in part, is plainly not covered by the policy, if the claim, either in full or in part, is potentially covered and therefore obligates the insurer to defend but not indemnify the policyholder, or if the claim, either in full or in part, is plainly covered by the policy and thus obligates the insurer to both defend the policyholder and pay any settlement or judgment. The claimed systems and methods allow the user to more effectively decide how likely it is that a claim will require the insurer to retain the services of an outside coverage attorney to assist in making the determination, and also whether the above determinations can be made by the claims handling personnel with or without management review. See, e.g., page 2, last paragraph, through page 4, last paragraph, of applicants' specification. The systems/methods of the

invention relate to determinations about how to or whether to proceed with a **defense** of an underlying claim, e.g., whether the insurance company should hire outside coverage counsel to assist in analyzing whether to accept the policyholder's claim for a defense against the underlying claim. Such determinations are distinct from the determinations regarding ultimate liability or insurability disclosed in the cited references. None of the cited references address the problem addressed by applicants' invention and recited in their claims.

Wahlbin teaches methods/systems for "estimating liability in an accident." See, e.g., the Abstract. The Wahlbin methods/systems provide a means for an insurance company claims adjuster to apportion liability between the parties to a motor vehicle accident; see, e.g., page 1, paras. 0005, 0006, 0010 and 0011. Wahlbin relates to determining ultimate liability between the parties to the accident. It has nothing to do with the determination of a liability insurance company (and/or those working for it) of how to or whether to handle "**a claim for a defense**" under a liability policy issued by them. For example, the Wahlbin disclosure does not contain the word "defense" or "defend" anywhere in its disclosure.

DeTore teaches methods/systems for evaluating the insurability of a potentially insurable risk; see, e.g., the Abstract. The DeTore methods/systems involve determining a level of risk from which a determination can be made of whether to offer insurance or not and at what cost; see, e.g., the paragraph bridging cols. 1-2 and paragraphs at cols. 12-13. Like Wahlbin, DeTore has nothing to do with the determination of a liability insurance company (and/or those working for it) how to or whether to handle "**a claim for a defense**" under a liability policy already issued by them. And the DeTore disclosure also does not contain the word "defense" or "defend" anywhere in its disclosure.

Jernberg teaches methods/systems for "evaluating liability among multiple potential responsible parties" with regards to toxic clean-up sites, see, e.g., the Abstract. The Jernberg methods/systems, like Wahlbin, provide a means for an insurance company claims adjuster to apportion liability between multiple parties; see, e.g., cols. 2-3. Jernberg relates to determining ultimate liability between the potentially responsible parties. It also has nothing to do with the determination of a liability insurance company (and/or those working for it) [of] how to or whether to handle "**a claim for a defense**" under a liability policy issued by them. Jernberg contains two small notes at col. 11, lines 55-60, which mention the term "defense" but only in the context of the costs for such as that effects relative liability.

None of the references provides any teachings directed to methods or systems for determining whether a claim for a defense under a liability insurance policy should be

referred to a higher review level as claimed. Further, there is no reasoning provided or apparent from the references why the cited reference systems and methods would be applicable to determining whether a claim for a defense under a liability insurance policy should be referred to such higher review level. For this reason at least, the combined teachings of the references fail to render the claimed systems or methods obvious to one of ordinary skill in the art. In the absence of a teaching in any of the cited references of such a system or method, the combination of the references would not result in this aspect of the claimed invention. The references, as a whole, teach nothing about referrals for a coverage opinion as to whether the insurer should provide a defense to its policyholder for a liability insurance claim or any of the claimed more specific determinations.

Additionally, there is no objective reason for one of ordinary skill in the art to combine the DeTore teachings with either Wahlbin or Jernberg. DeTore relates to systems or methods for achieving distinct results and solving different types of problems than the other two references. No sufficient articulated reason is provided as to why one of ordinary skill in the art would take different parts of these systems and combine them in the manner suggested in the Office action. The Office action states that it would be obvious to combine the method for adjusting liability estimates in accidents of Wahlbin with the teachings of DeTore because Prager provides “an efficient means for administrators and management to further define problems and identifying/requesting additional information for resolution.” Such a general statement is not a sufficient basis for one of ordinary skill in the art to apply the teachings from one reference to a different reference which addresses distinct problems. Wahlbin relates to allocating liability among the parties while DeTore relates to determining whether to issue any insurance at all. They are completely unrelated determinations.

In any event, even if the teachings of Wahlbin, DeTore and Jernberg were combined, the claimed invention is not achieved or suggested thereby. It is alleged in the Office action that the categories disclosed in the references correspond to the categories used in the claimed invention and that the determination of liability in Wahlbin regarding liability between the parties corresponds to the determination made in the claimed invention. Applicants disagree. The different types of data used in the references relate to determining liability between parties (Wahlbin and Jernberg) or determining a level of risk when issuing or not issuing insurance (DeTore). These data are not relevant to determining whether a claim for a defense under a liability insurance policy should be referred to a higher review level or making any of the more specific determinations of the claimed invention.

The combined teachings of Wahlbin, DeTore and Jernberg fail to render the claimed invention obvious to one of ordinary skill in the art. Since none of these references teach anything about a computer-implemented method for making referrals concerning whether the insurer should accept a claim for **a defense** under a liability insurance policy, it should be clear that their combination also fails to teach or suggest the claimed systems and methods.

Regarding claims 13-16, applicants disagree that they refer merely to non-functional descriptive material. The categories recited in these claims relate to real data which is necessary to make the ultimate determination recited in claims 1 and 2. Also, they are not claimed merely as descriptive material, per se, as alleged in the Office action. The claims which these claims ultimately depend on (i.e., claims 1 and 2) clearly set forth that the data is necessary for providing the function of the invention, i.e., the referral determination. Thus, the claims clearly do describe the steps involved in using the features (i.e., the categories) recited in claims 13-16. For example, claim 1 recites a system including “computer-executable instructions particular for determining from the number of categories found to apply whether the claim should be referred to a higher review level.” Thus, the claims clearly recite how the categories are used to carry out the claimed invention and the recitations in claims 13-16 merely provide greater specificity on the nature of categories used in this determination. The categories embody the data by which the computer is configured to be able to provide the referral determination, i.e., the data is partly responsible for making the computer a “particular machine” which makes it statutory subject matter.

For all of the above reasons, it is urged that the rejections under 35 U.S.C. §103 should be withdrawn.

It is submitted that the claims are in condition for allowance. However, the Examiner is kindly invited to contact the undersigned to discuss any unresolved matters.

Respectfully submitted,

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